# Office of Consumer Protection Montgomery County, Maryland

#### IN RE THE MATTER OF:

PCA, Inc. t/a "Pure Central Air Duct Cleaning," "PCAir," "PCAirduct.com" 451 Hungerford Drive; UPS Box #119-325 Rockville, MD 20850

### SETTLEMENT AGREEMENT

Montgomery County, Maryland through its administrative agency, the Montgomery County Office of Consumer Protection (hereinafter referred to as "OCP"), and PCA, Inc. (hereinafter referred to as "PCA") on this 1st day of March, 2010, enter into the following Settlement Agreement pursuant to Chapter 11, <u>Consumer Protection</u>, of the Montgomery County Code, as amended.

## I. Parties

- 1. OCP is an administrative agency of Montgomery County, Maryland responsible for the enforcement of Chapter 11, <u>Consumer Protection</u>, of the Montgomery County Code.
- 2. Eric S. Friedman is the Director of OCP and is authorized to sign this Settlement Agreement on behalf of the Office.
- 3. PCA is, and has been, engaged in the business of selling duct cleaning and carpet cleaning services in Montgomery County under several different corporate and trade names, including PCA, Inc., Pure Central Air, Inc., PCAir, PCAirduct.com and as such is a merchant in Montgomery County, Maryland pursuant to Section 11-1 of the Montgomery County Code.
- 4. Nimrod Hecht and Oren Teper are officers of PCA, Inc. and are authorized to sign this Settlement Agreement.

## II. Facts

- 5. During the last 12 months OCP received a number of complaints against PCA in which the consumers alleged that PCA engaged in deceptive trade practices in Montgomery County, Maryland.
- 6. Upon investigation of these complaints, OCP believes that PCA has violated Chapter 11, Consumer Protection, of the Montgomery County Code.
- 7. PCA and its officers are represented by legal counsel. PCA states the number of complaints filed with OCP only reflects a small percentage of its total sales.
- 8. PCA does not by this Agreement either admit or deny any violations of Chapter 11, but enters into this Agreement in order to resolve the dispute in the interests of fairness and in recognition of its corporate responsibilities.

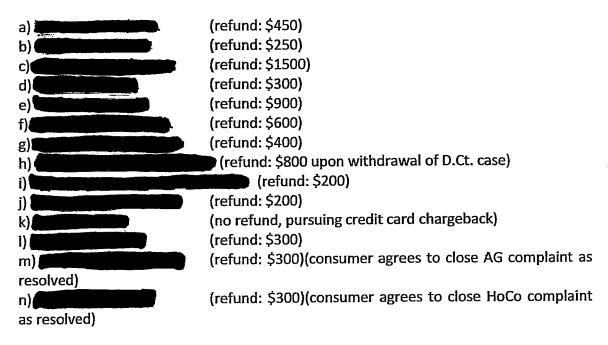
### III. Agreement

- 9. <u>Advertising:</u> PCA will not engage in any misleading or deceptive advertising or marketing through direct mail coupons, newspaper advertisements, sales personnel statements or any other manner, including, but not limited to, the following:
  - a) PCA will not represent that it is "licensed" to kill mold or provide any other service unless PCA first obtains any such license.
  - b) PCA will not misrepresent that it is "bonded" or "licensed."
  - c) PCA will not represent that it has been in business for any period of time unless such time is correct.
  - d) PCA will honor the price advertised in any coupon or special offer stated in any advertisement, and, upon request, will provide documentation that PCA has complied with this provision.
  - e) PCA will not make any misrepresentations regarding the health benefits with respect to any services it provides.

- 10. <u>Services:</u> PCA will not engage in any misleading or deceptive practice with regard to its services including, but not limited to, the following:
  - a) PCA will not represent that "mold" is present in a consumer's home without first obtaining test results from an independent testing laboratory or from accurate onsite testing equipment. PCA will not make any misrepresentations regarding the type of mold or any health effects resulting from the presence of such mold. Documentation of test results must be either provided directly to the consumer, or recorded and provided to OCP upon request.
  - b) PCA will not engage in any transaction in an amount more than \$25 in a consumer's home without first providing the consumer with a written contract which complies with the Maryland Door-to-Door Sales Act, Section 14-301 et seq., Commercial Law Article, Annotated Code of Maryland.
  - c) PCA will not misrepresent the benefits or importance of performing its services.
  - d) PCA will not represent that services have been performed unless such representations are true.
  - e) PCA will not represent that the consumer is paying a "tax" unless such representation is true.
  - f) PCA will fully disclose, in writing, the terms and conditions of any "warranty" being provided and will disclose that the "warranty" only pertains to mold treatment, not removing dirt (if that is the case). PCA will disclose the price of the services received on the day the receipt is provided, as well as (and separately from) any cost of purchasing a "warranty" to provide services in the future.
- 11. <u>Receipts (Contracts)</u>: PCA will make the following changes (where necessary) to the receipts and contracts it provides to consumers:
  - a) PCA's contracts and receipts will list a correct street address for PCA (no P.O. box).
  - b) All disclosures required by the Maryland Door-to-Door Sales Act per item 10(b) above must be stated.

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- c) PCA's contracts and receipts must clearly list separate and distinct charges for the "services" provided on the date of the contract, and for any "warranty" or "future service" to be provided on any annual or periodic basis in the future.
- d) The terms and conditions regarding implied warranties and consequential damages must comply with Section 2-316.1, Commercial Law Article, Annotated Code of Maryland.
- 12. <u>Refunds:</u> PCA will provide the following refunds within thirty (30) days from the execution of this Settlement Agreement. Payments will be spread over the four weeks, with at least 3 payments per week until paid.



Total refund: \$6500. PCA will deliver at least 3 refund checks per week to counsel for PCA. OCP will pick-up the refund checks from counsel for PCA and be responsible for delivering the checks to the respective consumers.

- 13. In return for compliance with Paragraph 12, OCP agrees not to take further legal action with respect to these individual consumer complaints.
- 14. PCA agrees to pay a total of \$2,000 to the Office of Consumer Protection, Montgomery County, Maryland. The \$2,000 is to be paid immediately upon signing of this Settlement Agreement. The payment will be deposited in the Consumer Affairs

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Settlement Fund for consumer education and to advance the functions of OCP as approved by the Director of OCP.

15. This Settlement Agreement is made pursuant to Chapter 11 of the Montgomery County Code, and any violation of this Agreement shall be considered a violation of Chapter 11 and subject to all of the remedies contained therein.

Signed:

PCA, Inc.

BY: Nimrod Hecht

Witness

PCA, Inte.

By Oren Teper

Date

Witness

Montgomery County Office of

**Consumer Protection** 

BY: Eric S. Friedman, Director

Witness